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LB 1089

SENATOR CUDABACK: Senator Tyson, you are recognized to open on your amendment, AM2555.

SENATOR TYSON: Thank you, Senator Cudaback. My amendment, AM2555, is a very simple amendment. If you have a copy of the bill or if you are on the desk inferno machine, this strikes the language, the new language that Senator Landis has in Section 8, wherein he would strike the entire thing. However, having stricken all of the matter on page 34 and 35, all the new matter on page 34 and 35 and 36, my amendment simply reinstates the one line on page 34 and one word on below that and that would be on line 26, it strikes "fourteen" and it inserts "twenty." Now the net effect of this would be to put a soft cap in the bill and remove the other cap language. That is all that this does. Now a soft cap allows branching but it prohibits acquisition. It does not prohibit internal growth. There is a bank in the state of Nebraska which has more than the 14 percent now, and it has gotten that way through growth. It has made some acquisitions but I think they are now 18 or 19 percent. I don't believe any other bank in the state of Nebraska is close to that, and I will tell you where I stand on this amendment, and why I put this amendment in. I would like to see LB 1089 pass. If it becomes apparent in the dialogue on the floor that this is an...that my amendment is an obstacle to it, I will pull the amendment. But why did I put the amendment in in the first place? Because the bankers that I have talked to, and I have talked to those in my area, northeast Nebraska, principally Madison County, they want the cap. A 20 percent cap is just fine. They want a soft cap. They don't want acquisitions. So it really comes down to this, the...one of the bankers who was quoted by Senator Landis is in Stanton County. He has an LPO, Loan Production Office in Norfolk. He would have a branch there just as fast as he could. A small bank, First National Bank of Madison has a Loan Production Office in Norfolk. It would become a branch. A bank in Norfolk has a Loan Production Office in Pierce. They would have a branch. The small town banks want the branching. The 20 percent cap, soft cap, is something that a number of them have said is acceptable to them, and I offer this amendment to you for your consideration with the understanding that the important thing is just exactly what Senator Landis said was the important thing, and that is that the banks of Nebraska be